

UNITED STATES BANKRUPTCY COURT
DISTRICT OF PUERTO RICO

IN RE:

HOSPITAL DAMAS, INC.

Debtor

CASE NO. 10-08844

CHAPTER 11

APPLICATION FOR APPOINTMENT OF ATTORNEY FOR DEBTOR

TO THE HONORABLE COURT:

COMES NOW Debtor through its undersigned counsel and very respectfully alleges and requests:

1. On September 24, 2010, Debtor filed its petition for reorganization under the provisions of 11 U.S.C. Chapter 11 of the Bankruptcy Code.
2. Debtor is not sufficiently familiar with the law to be able to plan and conduct the proceedings herein without competent legal counsel.
3. In selecting such counsel, Debtor has made careful and diligent inquiry into the qualifications and connections of Charles A. Cuprill, P.S.C., Law Offices, and has found said law firm and its members to be duly qualified to represent Debtor in these proceedings by reason of their ability, integrity and professional experience.
4. Debtor has retained Charles A. Cuprill, P.S.C., Law Offices ("Cuprill"), as its counsel in these proceedings subject to the approval of this Court in accordance to Rule 2014 of the Federal Rules of Bankruptcy Procedure, on the basis of a \$50,000.00 retainer, against which the law firm will bill on the basis of \$350.00 per hour, plus expenses, for work performed or to be performed by Charles A. Cuprill-Hernández, Esq., \$200.00 per hour for any associate and \$75.00 for paralegals, upon application(s) and the approval of the Court. These rates are considered to be

reasonable and fair, in line with services comparable to those performed on behalf of other clients. Upon the exhaustion of the retainer, the billing will continue, as aforesated and any compensation will be processed through the pertinent application(s) to be filed with the Court.

5. In light of the professional services to be rendered in the short term and the nature of this case, it is requested that Cuprill be allowed to file its applications for interim compensation every sixty days from its appointment as Debtor's legal representative.

6. Cuprill is a disinterested person as defined in 11 U.S.C. §101(14), since Cuprill and its members:

- (A) Are not Debtor's creditors, equity security holders or insiders;
- (B) Are not and were not, within two years before the date of the filing of the petition directors, officers or employees of the Debtor.
- (C) They do not have an interest materially adverse to the interest of the estate or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtor.

7. Except that Cuprill, other than having represented Debtor in various cases and some of the members of Debtor's board of directors in one case all before the court of the Commonwealth of Puerto Rico all of which have been concluded, and having represented Debtor as a creditor in the Chapter 11 proceedings of Fundación Dr. Manuel De La Pila Iglesia, neither I nor the members of Cuprill have any other prior connections with the Debtor, its officers, directors and insiders, any creditor, or other party in interest, their respective attorneys and accountants, the United States Trustee or any person employed in the office of the

United States Trustee.

8. The Bankruptcy Code, 11 U.S.C. §327(a) provides that:

- (a) Except as otherwise provided in this section, the trustee¹, with the court's approval, may employ one or more attorneys, accountants, appraisers, auctioneers, or other professional persons, that do not hold or represent an interest adverse to the estate, and that are disinterested persons, to represent or assist the trustee in carrying out the trustee's duties under this title.

This section authorizes the debtors-in-possession, subject to the Court's approval, to employ professional persons, such as attorneys, accountants, appraisers, auctioneers, engineers and accountants, to represent or perform services for the estates. House Report Number 95-595, 95th. Congress, First Sess. (1977) 328.

9. 11 U.S.C. §328(a) provides:

"The trustee, or a committee appointed under section 1102 of this title, with the court's approval, may employ or authorize the employment of a professional person under section 327 or 1103 of this title, as the case may be, on any reasonable terms and conditions of employment, including on a retainer, on an hourly basis, or on a contingent fee basis. Notwithstanding such terms and conditions, the court may allow compensation different from the compensation provided under such terms and conditions after the conclusion of such employment, if such terms and conditions prove to have been improvident in light of developments not capable of being anticipated at the time of the fixing of such terms and conditions."

10. In compliance with 11 U.S.C. §§ 327, 329, and 504(b)(1) and Rules 2014 and 2016(b) of the Federal Rules of Bankruptcy Procedure, a certificate executed by Charles A. Cuprill-Hernández, principal of Charles A. Cuprill, P.S.C., Law Offices, and copy of his curriculum vitae, are accompanied with this Application

¹ To be understood as debtor-in-possession.

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as Exhibits A and B.

WHEREFORE, it is respectfully requested that this Court enter an order allowing Charles A. Cuprill, P.S.C. Law Offices, to represent Debtor in the instant case, with interim compensation to be paid as allowed at sixty-day intervals, pursuant to 11 U.S.C. §§ 327, 330, and 1104 and 1106.

San Juan, Puerto Rico, this 27th day of September, 2010.

HOSPITAL DAMAS, INC.

By: 
JULIO COLON RIVERA
CHIEF FINANCIAL OFFICER

CERTIFICATE OF SERVICE: I hereby certify that on this same date, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF systems which will send notification of such filing to the Office of the United States Trustee, and all CM/ECF participants.

San Juan, Puerto Rico, this 27th day of September, 2010.

s/ CHARLES A. CUPRILL-HERNANDEZ
USDC-PR 114312
Charles A. Cuprill, P.S.C., Law Offices
356 Fortaleza Street - Second Floor
San Juan, PR 00901
Tel.: 787-977-0515
Fax: 787-977-0518
E-Mail: ccuprill@cuprill.com

EXHIBIT A

UNITED STATES BANKRUPTCY COURT
DISTRICT OF PUERTO RICO

IN RE:

HOSPITAL DAMAS, INC.

Debtor

CASE NO. 10-08844

CHAPTER 11

CERTIFICATE OF PROPOSED ATTORNEY FOR DEBTOR

I, CHARLES A. CUPRILL-HERNÁNDEZ, do hereby certify under penalty of perjury that to the best of my knowledge, information and belief the following is true and correct:

1. I am an attorney and counselor-at-law, and the principal of CHARLES A. CUPRILL, P.S.C., LAW OFFICES ("Cuprill"), fully admitted to practice in the Commonwealth of Puerto Rico and in this Court.

2. Said law firm maintains an office for the practice of law at 356 Fortaleza Street, Second Floor, San Juan, Puerto Rico, 00901, which is both its physical and postal address; Tels. (787) 977-0515 to 977-0517; Fax No. (787) 977-0518.

3. As of March 26, 2010, Cuprill has agreed to represent Debtor in these proceedings, as more particularly set forth in paragraph four (4) of Debtor's application for appointment of attorney, subject to the approval of this Court.

4. To the best of my knowledge, the members of Cuprill, are disinterested persons, as defined in 11 U.S.C. §101(14) since:

(A) They are not Debtor's creditors, equity security holders or insiders;

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(B) They were not and are not within 2 years before the date of the filing of Debtor's petition, a directors, officer or employees of the Debtor.

(C) They do not have an interest materially adverse to the interest of the estate or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtor or for any other reason.

5. To the best of my knowledge, other than Cuprill having represented Debtor in various cases and some of the members of Debtor's board of directors in one case all before the court of the Commonwealth of Puerto Rico all of which have been concluded, and having represented Debtor as a creditor in the Chapter 11 proceedings of Fundación Dr. Manuel De La Pila Iglesia , neither I nor the members of Cuprill have any other prior connections with the Debtor, its officers, directors and insiders, any creditor, or other party in interest, their respective attorneys and accountants, the United States Trustee or any person employed in the office of the United States Trustee.

6. The source of the compensation promised to the stated law firm shall be from Debtor's operations and from such funds as may be available to Debtor from third parties and to which Debtor may be legally entitled, or as may advanced by Debtor's parent.

7. Debtor has retained Cuprill, as its attorneys in these proceedings subject to the approval of this Court in accordance to Rule 2014 of the Federal Rules of Bankruptcy Procedure, on the basis of a \$50,000.00 retainer, against which the Cuprill will bill on the basis of \$350.00 per hour, plus expenses, for work performed or to be performed by the undersigned., \$200.00 per hour for any

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associate and \$75.00 per hour, for paralegals, upon application(s) and the approval of the Court; rates which are considered to be reasonable and fair, in line with services comparable to those performed on behalf of other clients. Upon the exhaustion of the retainer, the billing will continue, as aforesigned and any compensation will be processed through the pertinent application(s) to be filed with the Court.

8. There are no agreements on the part of Cuprill, for the sharing of any compensation or reimbursement received or to be received under 11 U.S.C. §§330(a) and 503(b)(2), or otherwise in connection with this case, nor will it share in any such compensation or reimbursement received by another person under such sections, except the customary payments to members, partners and regular associates of the firm.

9. I will amend this statement immediately upon learning that (a) any of the representations made herein are incorrect, or (b) there is any change of circumstances relating thereto.

10. I have reviewed the provisions of Local Bankruptcy Rule 2016-1.

11. I declare under penalty of perjury that the foregoing is true and correct, as provided in 28 U.S.C §1746.

San Juan, Puerto Rico, this 27th day of September, 2010.

s/ CHARLES A. CUPRILL-HERNANDEZ
USDC-PR 114312
Charles A. Cuprill, P.S.C., Law Offices
356 Fortaleza Street - Second Floor
San Juan, PR 00901
Tel.: 787-977-0515
Fax: 787-977-0518
E-Mail: ccuprill@cuprill.com

CHARLES A. CUPRILL-HERNÁNDEZ
356 Fortaleza
San Juan, PR 00901
Tel. 787-977-0515 / Fax. 787-977-0518

BIRTH

Ponce, Puerto Rico, June 23, 1943

EDUCATION

U.S. Army, Judge Advocate General's School, The Judge Advocate General's Corps, Charlottesville, VA	
Law of Military Installations Course	1972
Labor Law Course	1970
Procurement Law Course	1969
Judge Advocate General's Basic Course	1969
University of Puerto Rico	
<i>Juris Doctor</i>	1968
University of Puerto Rico	
<i>B.A., Magna Cum Laude.</i>	1965

EXPERIENCE

Private Legal Practice:

General practice of civil law (family law, inheritance, torts and contracts), corporate, administrative and bankruptcy law.

Charles A. Cuprill, P.S.C. Law Offices 356 Fortaleza San Juan, PR 00901	2000-present
Charles A. Cuprill-Hernández Law Offices Torre de Oro Build. Suite 201 5 Las Américas Avenue Ponce, PR 00731 Tel. 787-840-5146 Fax 787-842-5146	1979-2000
Cuprill, Pérez-Reilly & Díaz-García Law Offices T-1 15th Street Jardines Fagot Ponce, PR 00731	1976-1979 Partner
Charles A. Cuprill-Hernández Law Offices #70 Concordia Street Ponce, PR 00731	1975-1976
Cuprill, Cuprill & Cuprill #70 Concordia Street Ponce, PR 00731	1972-1975 Partner

Charles A. Cuprill-Hernández
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Puerto Rico State Guard Lieutenant Colonel	1978
Deseret Test Center, Dugway Proving Ground, Dugway, Utah Captain, U.S. Army, Judge Advocate General's Corps, Staff Judge Advocate to the Commanding General	1970-1972
Assistant Staff Judge Advocate	1969-1970
Legal assistance, processing of claims against the service, prosecution and defense of criminal cases, administrative law matters, government contracting and military affairs.	
<u>Other:</u>	
University of Puerto Rico, Ponce Regional College Social Sciences Professor	1973-1975

ADMISSIONS

U.S. Court of Appeals for the Fourth Circuit	2003
U.S. Tax Court	1997
District of Columbia Court of Appeals	1983
U.S. Court of Claims	1976
U.S. Supreme Court	1976
U.S. District Court for the District of Puerto Rico	1969
U.S. Court of Appeals for the First Circuit	1969
U.S. Court of Military Appeals	1969
Supreme Court for the Commonwealth of Puerto Rico	1968
Notary Public	1973

PROFESSIONAL ASSOCIATIONS

Bar Association of the Commonwealth of Puerto Rico
Bar Association of the District of Columbia
American Bar Association
American College of Trial Lawyers

LICENSES

Licensed as a horseowner and trainer in Pennsylvania, Delaware and Maryland.

ACTIVITIES AND AWARDS

Owner together with spouse of thoroughbred breeding and racing operation at Woodvale Farm, Route 472 South, Lewisville, Pennsylvania

<i>Pennsylvania Leading Breeders Award</i>	1992, 1993 1994, 1996, 2000
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Charles A. Cuprill-Hernández
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ACTIVITIES AND AWARDS (Cont.)

<i>Outstanding Breeders Award of the Thoroughbred Owners & Breeders Association for Pennsylvania</i>	1992, 1994
Distinguished Military Student	1965
Distinguished Military Graduate	1965
Army Commendation Medal	1972

MEMBERSHIPS

Member of the Committee for the Selection of Bankruptcy Judge for the District of Puerto Rico, appointed by the Chief Judge, U.S. Court of Appeals for the First Circuit	
Rules Committee, United States Bankruptcy Court for the District of Puerto Rico	
Director, Corporation for the Development of the Ponce, Puerto Rico Foreign Trade Zone (CODEZOL)	1995-1997
Director, Pennsylvania Horse Breeders Association	1995
Director, The Fair Hill Condominium Association, Elkton, Maryland	1990-1999
Director, Equus Entertainment Corporation	2000-2005

FAMILY

Spouse: María Luisa Monserrate Matienzo
Children: María Luisa Cuprill Monserrate
Natalie Marie Cuprill Monserrate

REFERENCES

Corporate clients

A.F. Agricultural Corp.
Abislaiman e Hijos Corp. d/b/a Joyeria Riviera
Abraham Petroleum, Corp.
Advance Cardiology Center Corp.
Almacenes Linda, Inc.
American Foreign Underwriters Corporation
American Foreign Trading & Union Oil Service Limited
Antilles Cement, Inc.
Carabel Export & Import, Inc.
Cayo Largo Hotel Associates S. en C. por A., S.E.
Certenejas Incorporado
Comagro, S.E.
Compresores Y Equipos, Inc.
Costa Bonita Beach Resort, Inc.
Construction Engineering, SE
Damas Hospital, Inc.

REFERENCES (Cont.)

D.M.I. Property Management Corp.
Drogería Central, Inc.
El Embarcadero, Inc.
Emérito Estrada Rivera-Isuzu de P.R., Inc.
Empresas Master
Empresas Omajede, Inc.
Farmacia La Salud
Fernández Moledo, Inc.
HI Development Corp.
Hospital Damas, Inc.
Hypercad Consulting Group, Inc.
Industrias Vassallo, Inc.
Instituto de Banca y Comercio, Inc.
JM Development
Jonathan Corp.
Merial IA, LLC
Pavía Health Management
Plaza Borinquen, Inc.
PMC Marketing, Corp.
Puerto Rican Cement, Inc.
Redondo Construction Corporation
Rojoazul Hotel, Inc.
Sanang Corp.
Servicio De Descuento En Compra, Inc. SEDECO
Silvernugget Development Corp.
Sucesión Font
Sunrise Partners LLP
Tourism Development Company
Trebol Motors Distributor Corporation
Trebol Motors Corporation
YMAS Inventory Management, Corp.